

SECOND NEC SECTORAL SUMMIT

SHILLONG STATEMENT ON ROADS AND HIGHWAYS

9 FEBRUARY 2007

1. Road connectivity in the North-East Region is well below the national average on most parameters. Therefore, extending, intensifying and improving the roads network is essential to the economic development of the region and the welfare of its people.
2. The high priority to be accorded to the development of roads in the North-East Region is well reflected in the Union Government's intention to invest nearly Rs.50,000/- crores on the roads sector in the North-East over the Eleventh Plan period. This amounts to an almost 16-fold increase in the physical quantity of road works to be undertaken, compared to the immediate past period.
3. However, in view of the variety of roads involved and the multiplicity of agencies concerned, the immediate need is to pull together all the diverse elements of the road development programme into a single Master Plan for the Region. Such a Master Plan will also significantly contribute to the evolution of the Vision 2020 document for the North-East Region which is currently under preparation. The Ministry of DoNER and the NEC, together with the eight State Governments concerned, and in consultation with the Union Ministries and agencies involved, will initiate the process of expeditiously putting in place the required Master Plan. The Master Plan would have to address, *inter alia*, long outstanding issues including the limited applicability of the BoT mode to the financing of road projects in the North-East; expeditious environment and forest clearance procedures; and priority to processing DPRs submitted by North-East governments.
4. At the same time, there is pressing need to exponentially increase the absorptive capacity of the States of the North-East Region to ensure implementation of the ambitious plans for road development which are in hand. This calls for putting in place a back-up human resources infrastructure programme for capacity building and training of State PWDs and RWDs and other state agencies concerned, as well as contractors, especially those based in the region but extending also to contractors from outside the region, to:
 - prepare project proposals and Detailed Project Reports (DPRs)
 - respond expeditiously to clarifications required on DPRs
 - consultancy on the preparation and processing of tender documents
 - supervision of the execution of contracts to ensure quality specifications

- management and maintenance of road sector assets after the completion of works.

Accordingly:

- DoRTH and MoRD, in association with DoNER and NEC and the eight State Governments of the Region, will put in place a massive human resources infrastructure back-up to the massive road development programmes envisaged for the Eleventh Plan period.
 - DoNER will examine with the authorities concerned ADB and other international assistance for this capacity building and training exercise.
 - The inputs of the three Committees established under the chairpersonship of two full time NEC Members and Secretary, DoNER will be fully taken into account in preparing the human resources back-up structure.
5. The maintenance of assets is a non-Plan expenditure which essentially falls in the domain of State budgets. The eight States of the North-East Region feel they do not have adequate budgetary resources of their own to handle the maintenance responsibilities which devolve on them after roads are built, an obligation that will exponentially increase with the significant increase in road sector activity envisaged for the Eleventh Plan. Therefore, DoRTH and MoRD, in consultation with DoNER and NEC and the States concerned, will expeditiously work out the financial implications for the maintenance of the roads to be built in the Eleventh Plan period with the aim of establishing a projected data base on which the question of providing adequate funds for maintenance may be addressed. The initiative taken by Mizoram to establish through legislation a Roads Maintenance Fund is commended for emulation by the North-Eastern States.
 6. With a view to equipping NER-based contractors with machinery and equipment to participate in larger numbers or more effectively and efficiently in the huge road building programme envisaged for the Eleventh Plan period, the Ministry of DoNER, building on the initiatives already undertaken by MoRD, will work towards the establishment of a joint sector private-public partnership cooperation to establish depots at appropriate locations in the North-East from where contractors might hire their requirements of equipment/machinery to meet the very large contractual demands that have to be met to implement the very substantial roads network development programme.
 7. State Governments will address problems of land acquisition, forest issues, encroachments and security-related questions to facilitate the expeditious implementation of road development projects. The strengthening of institutional mechanisms within State Governments to achieve these ends is an indispensable requirement of very high priority.

8. While overall Central funding of North-East regional projects is of a reasonable order of plus/minus 10 per cent, there is need to very considerably step-up Central funding for roads of economic importance, especially those related to the power sector and other infrastructure sectors. The Master Plan should particularly focus on these requirements.
9. In large parts of the North-East, and most especially over almost all parts of Arunachal Pradesh, habitations are scattered and often fall below the MoRD cut-off point of 250 for their road connectivity programmes. It is anticipated that as many as 5000 habitations will remain uncovered even after the Bharat Nirman targets are met. Accordingly, MoRD may revisit, in consultation with DoNER, norms pertaining to Arunachal Pradesh in particular and related other North-East locations. High priority should be accorded in NLCPR funding for Porter Tracks to service scattered habitations and the conversion of Timber Bridges.
10. The opening of International Trade Centres at several different points along external frontiers of the North-East Region, which comprises 98% of the North-East's borders, is an urgent economic necessity and a vital requirement for the "East Look" policy to bear fruit. With this in view, the Border Areas Development Programme requires a fresh look and a new orientation. The Ministry of DoNER will work with the Ministry of Home Affairs and the Ministry of External Affairs towards this end.